# GOVERNMENT OF INDIA
# LABOUR AND EMPLOYMENT
# LOK SABHA

STARRED QUESTION NO:63
ANSWERED ON:06.12.2004
INTEREST RATE ON EPF
Chakraborty Shri Ajay;Das Gupta Shri Gurudas

**Will the Minister of LABOUR AND EMPLOYMENT be pleased to state:**

(a) whether his ministry has issued a notification to the Employees Provident Fund Organisation (EPFO) to pay 8.5 percent interest to employees who have quit or lost their jobs in the current financial year;

(b) if so, the details thereof;

(c) whether the Central Board of Trustees (CBT) had decided on a 9.5 percent interest rate for 2002-2003 and 2003-2004;

(d) if so, the details thereof; and

(e) the reasons for notifying for a lesser rate than decided by CBT?

## Answer

MINISTER OF LABOUR AND EMPLOYMENT (SHRI K. CHANDRASEKHAR RAO)

(a) to (e): A statement is laid on the table of the House.

STATEMENT REFERRED TO IN REPLY TO PART (a) TO (e) OF LOK SABHA STARRED QUESTION NO. 63 FOR 6.12.2004 BY SH. GURUDAS DASGUPTA AND SHRI AJOY CHAKRABORTY REGARDING `INTEREST RATE ON EPF`.

(a) & (b) No, Sir.

(c) & (d) As per provisions contained in Paragraph 60 (1) of Employees` Provident Fund Scheme 1952, EPF Organisation is required to credit interest on the balance available in the accounts of the EPF members at such rate as may be determined by the Central Government in consultation with the Central Board of Trustees(CBT, EPF). Thus CBT, EPF recommends rate of interest to be credited to EPF subscribers for further consideration by the Government. For the years 2002-03 and 2003-04 CBT, EPF has recommended interest rates at 9.5% and 9% (+ additional Golden Jubilee Bonus interest of 0.5%) respectively.

(e) The Government has not issued any notification in respect of rate of interest to be paid to EPF members for the years 2002-03, 2003-04 and 2004-05 so far.